

**JUDICIAL COUNCIL OF CALIFORNIA
ADMINISTRATIVE OFFICE OF THE COURTS
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Report

TO: Members of the Judicial Council

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SUBJECT: Status: Workload Growth and Equity Funding (Informational Only)

Issue Statement

As part of the fiscal year (FY) 2005–2006 State Appropriations Limit (SAL) funding allocations to the trial courts, the Judicial Council approved \$13.86 million in Workload Growth and Equity funding for allocation to the most under-resourced courts based on the application of the Resource Allocation Study model (RAS). On approval of this allocation, the Judicial Council directed that the courts report on how this funding was used. As a result, Administrative Office of the Courts (AOC) staff surveyed the courts to obtain this information. This report is for informational purposes and provides an update of how funds were utilized based on survey submissions and, as a result, does not require action.

Background

In February 2004, as part of the FY 2005–2006 process for setting trial court budget priorities, the Judicial Council directed AOC staff to analyze the erosion of court base budgets and the equalization of funding issues and to develop a funding proposal. It was found that many courts were experiencing an increase in total filings and that specific types of filings had become more complex and involved more proceedings. Because the recent growth in workload has affected some counties more than others, this workload growth was an important factor, resulting in certain courts appearing to be under-resourced compared to other courts of similar size.

The AOC's Office of Court Research, in consultation with the National Center for State Courts and a working group composed of court executives from 15 superior courts, developed the RAS model to evaluate resource need in the state trial courts. More than

half of all courts were identified as being relatively under-resourced, with 26 courts appearing to have resource deficits of more than 10 percent.

Given the finite funding available from the SAL adjustment that could be allocated as an equity and workload adjustment to the under-resourced courts, staff recommended that the funding be provided to the courts that were underfunded in excess of 10 percent compared to other courts. Also, to ensure that the most underfunded courts receive a greater share of the special allocations, a scale was developed to provide larger percentage adjustments to courts with higher computed shortfalls. On the other hand, so as to make sure that courts were not provided funding adjustments that were beyond their capacity to effectively absorb, a constraint was added that limited the equity and workload growth allocation to no more than 25 percent of a court's base funding.

With the implementation of the SAL funding process, it was no longer possible to secure additional funding through a separate budget change proposal for additional staff to handle this added workload. AOC staff and the Trial Court Budget Working Group therefore recommended that part of the SAL growth factor—the Workload Growth and Equity component—should be used to provide additional funding to those courts that demonstrated being under-resourced. Multiplying the total trial court base budget (excluding security) by the adjusted Workload Growth and Equity percentage—0.95 percent—resulted in \$13.86 million in funding being available for this purpose. This funding brought under-resourced courts up to a more equitable level of funding compared to other courts. The Judicial Council approved the allocation of this \$13.86 million at its July 2005 business meeting, and directed that the courts receiving this funding report to the AOC regarding how the funds were used and the benefits they received from the funds.

To determine how the Workload Growth and Equity funding was used, a survey was sent to the 28 courts that received funding. Courts were asked to identify how they utilized the new funding. Based on the survey, courts committed the funds to create new positions; to pay for increased costs of compensation for existing positions; to address costs for new, extended, or expanded contracts; and to cover various other planned expenditures. The results of the survey are described in the next section of this report.

Use of funds

With few exceptions, courts committed more funding than they were allocated through the Workload Growth and Equity allocation, though not more than the total funding received from the overall FY 2005–2006 SAL allocation. A total of 21 courts identified excess commitments totaling \$4.1 million, while 6 courts reported uncommitted funding in the current fiscal year of just over \$500,000, though virtually all that excess funding has been committed on an ongoing basis.

The majority of the allocations were used to fund new positions, other planned expenditures, and compensation increases for current positions.

New positions

With the additional funding that was received, 21 courts are projected to hire an additional 188 employees in FY 2005–2006, while 234 employees will be hired by 24 courts as of FY 2006–2007. The total cost of these positions is estimated at \$5.3 million in FY 2005–2006 and \$13.5 million in FY 2006–2007. The large increase in FY 2006–2007 costs is due not only to the increased number of new positions, but also to the fact that in FY 2005–2006 positions were not filled for a full year, representing only partial year salary and benefit costs.

Below are examples of the new positions that the courts were able to hire with this funding and the benefits to these courts arising from these positions:

- Court clerks—enable courts to handle increased workloads based on filings, provide for the timely completion of documents, and improves backlogs and delays, as well as reduce case processing time; one court indicated that it was able to restore the clerk’s office to normal business hours by hiring additional clerks with this funding;
- Family court counselor—improves the success of families involved in court proceedings and improves these families’ access to the court system and various other programs;
- Mediators—provide more personal experience to clients and also reduce wait time;
- Research attorneys—provide research for judicial officers and help reduce delays in decision making, and allowing judicial officers to spend more time on judicial matters;
- Legal clerks—enable courts to handle more filings, process cases faster, and better serve clients in a more timely manner, with fewer filing delays and faster judgments and orders;
- Court services technicians/administrative assistants—support staff’s implementation of the Court Accounting and Reporting System;
- Records management clerk—enable the court to clear a backlog of record search requests and will provide a more timely response in the future, and frees up time for existing clerks to work at the counter; and
- Human resources staff—provide assistance and expertise related to recruitment, workers’ compensation, and compensation so as to process employee issues on a timely basis.

Also, courts were able to reclassify positions to more accurately reflect the duties and scope of responsibilities.

Increased costs of compensation for existing employees

With budget constraints, courts have been unable to give employees annual pay increases, some for more than several years. Courts were also unable to fill vacant positions. In FY 2005–2006, 16 courts used part of their allocations to help fund compensation increases and fill vacancies. This number will increase to 17 courts in FY 2006–2007. Costs for these actions totaled \$5.9 million in FY 2005–2006 and \$6.7 million in FY 2006–2007. Pay increases included general cost-of-living increases, equity adjustments, and negotiated increases based on labor agreements.

These wage increases will help courts to keep compensation levels competitive with those of other public sector agencies. Increases will encourage staff to remain with the court, enabling courts to retain experienced staff and serve the public in a more efficient manner.

Costs of new, extended or expanded Contracts:

A total of 10 courts will expend funds on contracts. Of these, 9 will have contracts totaling just over \$440,000 in FY 2005–2006. In FY 2006–2007, 10 courts will have contracts totaling just over \$870,000. The contracts cover a wide range of services, including the following:

- Court security officer contract—this contract will permit the court to provide security services for mediation sessions, evening hearings, bank deposits, high-profile court proceedings, and enhanced judicial protection, thus providing a safe environment for the public and employees;
- Case management—this professional contract will help to improve case management and provide training to judicial officers on effective case management, thereby enhancing public service;
- Organizational and compensation study—this study will help ensure that new positions and existing staff are compensated and structured organizationally in accordance with the future growth of the court;
- Contracted certified public accountant (CPA)—the CPA will assist in the transition to statewide initiatives; and
- Human resources consultant—this consultant will ensure that current and newly hired employees are qualified and competent to fill their positions.

For existing contracts that provide such services as mediation, court reporting, investigations, security, and forensic evaluations, courts were able to increase per diem rates and allowances.

Other planned expenditures

A total of 12 courts estimate costs for other planned expenditures of \$5.8 million and \$1.6 million in FY 2005–2006 and FY 2006–2007, respectively. Other planned expenditures include monies for the following:

- Start-up equipment for new employees—furniture, phones, and computers;
- Sound system—provides equipment to increase access for the hard of hearing and infrared ADA hard of hearing access;
- Presentation equipment—allows for proper presentation of exhibits and court documents;
- Scanner equipment—provides public and other agencies with easily accessible electronic versions of public records;
- Computer servers, including support and document creation and computer upgrades—help enhance productivity;
- Overtime—pays for staff to decrease backlogs;
- Courthouse furniture—improves appearance and safety as well as comfort for court users;
- Remodeling—creates better use of space; and
- Supplements for health insurance increases in excess of SAL—enable employees to retain their sponsored health insurance plan.

Attachment

Workload Growth and Equity Funding

Court	FY 2005-2006 Funding Allocation	New Positions				Total Costs - Increased Compensation for Existing Positions		Costs of New, Extended or Expanded Contracts		Total Costs - Other Planned Expenditure		FY 2005-2006 Total Committed Funding	Remaining Uncommitted Funding	FY 2005-2006 Excess Funding Commitments	FY 2006-007 Total Committed Funding
		Number of FTE's		Total Costs		Projected FY 2005-2006	Projected FY 2006-2007	Projected FY 2005-2006	Projected FY 2006-2007	Projected FY 2005-2006	Projected FY 2006-2007				
		Projected FY 2005-2006	Projected FY 2006-2007	Projected FY 2005-2006	Projected FY 2006-2007										
Calaveras	122,059	1	1	\$ 37,135	\$ 40,620			\$ 51,140	\$ 55,085	\$ 34,065	\$ 34,065	\$ 122,340		\$ (281)	\$ 129,770
Colusa	78,530					160,241	232,370					160,241		(81,711)	232,370
Del Norte	46,034	1	1	85,796	88,736							85,796		(39,762)	88,736
Fresno	464,959	8	8	467,626	520,024							467,626		(2,667)	520,024
Glenn	109,996		1		50,763	37,080	44,261	89,153	90,190			126,233		(16,237)	185,214
Imperial	384,783	19	23	516,691	1,278,653		110,000					516,691		(131,908)	1,388,653
Inyo	76,404	0.8	0.8	2,902	18,863	35,215	77,995	33,392	37,037	15,792	15,792	87,301		(10,897)	149,687
Kings	90,673	2	2	107,112	110,320							107,112		(16,439)	110,320
Lake	334,031	3.0	3.0	92,671	161,648	213,983	344,096	34,509	34,509			341,163		(7,132)	540,253
Lassen	290,074	4.5	5.5	143,815	212,979	64,400	57,335	30,500	33,500	26,400	111,800	265,115	24,959		415,614
Madera	398,325	9	9	299,105	421,447	103,962	211,043			31,500		434,567		(36,242)	632,490
Mariposa	99,388	0.6	1.6	2,349	57,941	4,532	12,386	10,850	39,700	10,000		27,731	71,657		110,027
Merced	1,373,565	7	15	134,779	887,206	56,678	75,571	27,100	187,500	1,159,050	882,600	1,377,607		(4,042)	2,032,877
Modoc*	30,570			10,987	11,734	16,545	17,746					27,532	3,038		29,480
Monterey	236,673	10	10	250,193	456,656							250,193		(13,520)	456,656
Placer	1,315,239	15	13	435,485	1,138,565	550,426	264,450	67,739		262,000	121,674	1,315,650		(411)	1,524,689
Riverside	1,170,370		18		1,200,569	2,210,011	1,975,127			1,191,551		3,401,562		(2,231,192)	3,175,696
San Benito	302,943		1		90,000	109,585	132,008		20,000			109,585	193,358		272,008
San Bernardino	3,292,402	50	50	909,208	2,976,319					2,383,194	325,000	3,292,402	-	-	3,301,319
San Joaquin	1,496,181	6	18	190,459	1,087,575	1,609,832	2,144,946		50,000	650,000	82,500	2,450,291		(954,110)	3,365,021
Shasta	456,486	21	21	488,255	867,852	129,144	150,369					617,399		(160,913)	1,018,221
Stanislaus	677,245	14	14	317,810	785,228	549,465	837,724	100,000	327,320			967,275		(290,030)	1,950,272
Sutter	63,959	1	1	93,198	102,139	-	-					93,198		(29,239)	102,139
Tehama	1,596										1,596	-	1,596		1,596
Trinity	15,354	1	1	26,484	47,988	20,045	22,310					46,529		(31,175)	70,298
Tulare**	765,396	11	13	554,035	760,393	-						554,035	211,361		760,393
Yolo	118,477	3	3	166,552	171,978							166,552		(48,075)	171,978
Yuba	48,114									48,760		48,760		(646)	-
Total	13,859,826	188	234	\$ 5,332,647	\$ 13,546,196	\$ 5,871,144	\$ 6,709,737	\$ 444,383	\$ 874,841	\$ 5,812,312	\$ 1,605,027	\$ 17,460,486	\$ 505,969	\$ (4,106,629)	\$ 22,735,801

* Reclassed one position

** Costs for new positions does not include the projected costs for two positions that have not been filled. The total salary and benefits for these positions is \$190,195 in FY 2005-2006. Thus, the amount of uncommitted funding if the positions we